

problems that it had is clear with regard to the problems of the proposed system in 1063 and I cannot impress upon my urban colleagues what happens when you support this amendment. Ladies and gentlemen, you will be the ones who will have to go back, we will be the ones that will have to go back to our constituents and explain after arguing for a system that puts personal property back on farm machinery, how it is under the 1063 proposal that real estate taxes at the residential level went up especially in the urban area, probably not in the rural areas, but clearly in the urban areas. Then you're going to allow for a write-off of sales tax on farm machinery against income and you're going to support that amendment, arguing that that is a better way to go than to say let all personal property go back on the tax rolls? Clearly, in my measuring stick there is no way that this amendment is a better approach. It is a far and away a step backward and it clearly leaves the residential homeowner, especially those in the urban area, holding the bag. Under 1063, the proposal purports to raise approximately \$100 million, approximately \$100 million, a wash, if you will under, as related to the old system. You're now going to put on personal property that is in the rural areas that did not exist under that old system, the old \$100 million. Wasn't being assessed, wasn't being paid on. So you're going to collect less from the urban areas that were paying it before which means that in order to keep the same amount of revenue coming in, something either has to be cut or taxes have to go up and the taxes are going to go up on the residential homeowners. It's simply that. And they're going to go up to a greater extent because 1063 doesn't raise the revenue it purports to raise. It hasn't been proved. It won't be proved. There has been a cooked group of numbers that were handed out on the floor here today, I think it was today, maybe it was yesterday, but you clearly are not going to raise the kind of money you purport to raise. Depreciation is cyclical. Depreciation is going to ebb and flow based on the economy. Under the old system even the oldest worst piece of personal property stayed on at 20 percent of value. Under this system once it is fully depreciated it's no longer on the tax rolls.

PRESIDENT MOUL: One minute.

SENATOR HALL: It goes away. That base is gone forever. At least under the old system when they were only reporting 30 to 40 percent of it or undervaluing it to anywhere from 60 to 70 percent, you had a base. Maybe it was a liar's base or an